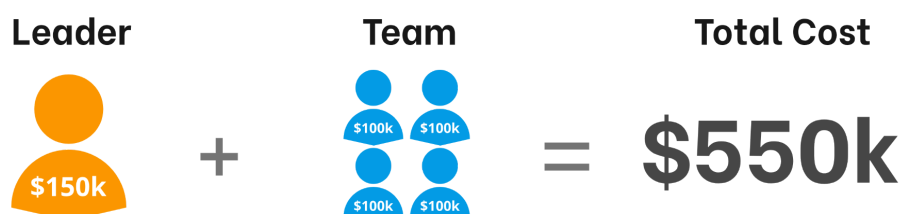


The effect of leadership competency has an outsized effect on the overall performance of any team and organization. When leadership is operating well, the efforts of all are multiplied and the organization benefits up to a factor of nearly 300%.

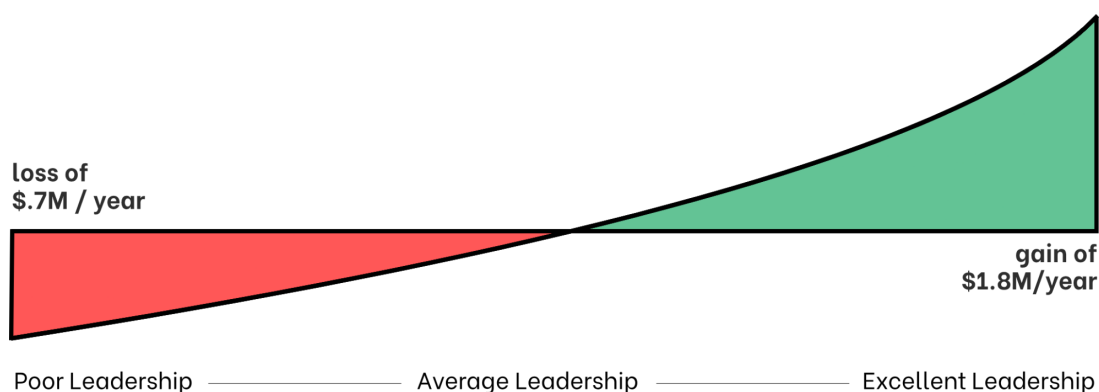
Conversely, research reveals poor leadership can **reduce** the overall effectiveness and output of the entire team up to 70%. This would be like hiring well over half your staff and sending them all on paid, extended vacation for the next year. In other words, you need to develop your leaders. Not doing so simply costs too much.

Let's explore the costs and opportunities related to the differences in leadership impact in this paper using an example team constructed as below ...



## ORGANIZATIONAL IMPACT

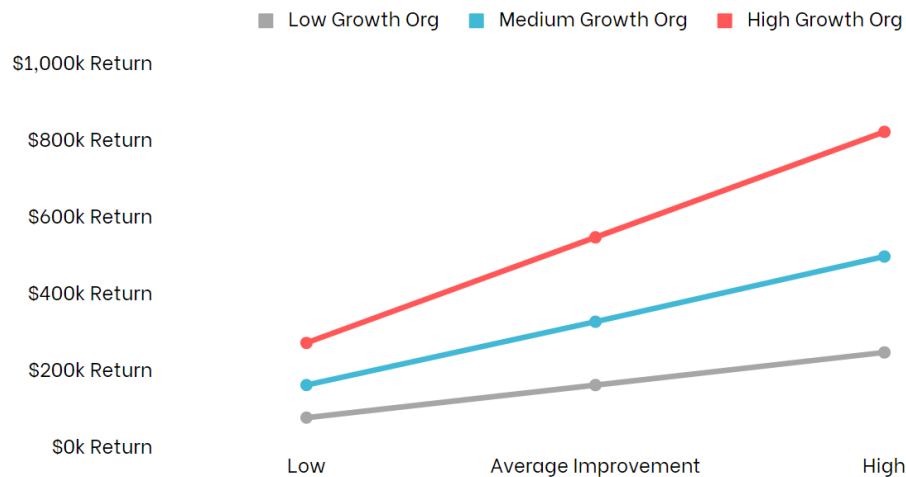
Every organization is looking to create a return (whether measured by profit or some other important impact) on the investment made in its people. This return can range from a 1.5x multiplier to well past a 5x return. Assuming the average return in the USA of 2.4x and a team constructed as above, leadership quality for the team impacts the bottom line like this ...



That's a \$2.5 million dollar potential swing in return a year. Leadership matters and it is either enabling your success or killing your chances of impact and organizational survival. The most impactful way forward is to engage your leaders in an effective development process.

# LEADER IMPROVEMENT

According to ResearchGate, basic leadership development training increases leadership performance by 20% which translates into real returns for their teams and organizations. The resulting ROI for our example team in low, medium, or high growth/productivity organizations is shown below.



## How much is it worth to your organization to receive this level of financial return?

Over 75% of companies report experiencing a gap in leadership performance. The cost of this gap is significant and recoverable. At Kivetis, our greatest desire is to increase leadership capabilities within technical teams because the world increasingly relies on technical teams to solve big problems. The multiplying effect of leadership, good or bad, has never been more present or important.

Accelerating your technical leader's growth and impact relies on a foundational principle ... lasting solutions to adaptive leadership challenges cannot be solved with the familiar technical toolset.

We believe when we develop better leaders, we make a better world.

## Who do you know that would benefit from exploring this more?

Email us at [contact@kivetis.com](mailto:contact@kivetis.com) or request more information at [www.Kivetis.com](http://www.Kivetis.com) to learn more about our leadership development solutions for technical leaders.

### References:

- From "Multipliers", Liz Wiseman, [https://www.amazon.com/Multipliers-Revised-and-Updated-audiobook/dp/B06XXZSZRJ/ref=sr\\_1\\_1?crid=14OAEAWJZIW5L&keywords=multipliers&aid=1687233743&srefix=multipliers%20Caps%2C137&sr=8-1](https://www.amazon.com/Multipliers-Revised-and-Updated-audiobook/dp/B06XXZSZRJ/ref=sr_1_1?crid=14OAEAWJZIW5L&keywords=multipliers&aid=1687233743&srefix=multipliers%20Caps%2C137&sr=8-1)
- Organizations in U.S. average a return on salary spend from 1.5x for low-productivity organizations up to and beyond 5x for high-productivity organizations. The average in the USA is 2.4x as calculated by dividing the US GDP by the US total payroll.
- 20% Leadership Development Effect ... [https://www.researchgate.net/publication/318737359\\_Leadership\\_Training\\_Design\\_Delivery\\_and\\_Implementation\\_A\\_Meta-Analysis](https://www.researchgate.net/publication/318737359_Leadership_Training_Design_Delivery_and_Implementation_A_Meta-Analysis)
- Leadership Gap, <https://blog.inspiresoftware.com/7-statistics-leadership-development>